

## ECONOMIC GROWTH, AGRICULTURE AND TRADE

## Bringing Water and Sanitation to the Urban Poor



The Community Water and Sanitation Facility will bring safe drinking water to the urban poor in South Africa, India, and Panama.

**ILLEMBE, South Africa**—Only one in five of Illembe, South Africa's 116,000 households enjoy water out of the faucet at home. The rest must find water at dams, rivers, or public taps and wells. Sanitation is no better: one-third of Illembe households use pit or bucket latrines.

The Bureau of Economic Growth, Agriculture and Trade and USAID/South Africa are working to improve water and sanitation for the people of Illembe as part of a new, worldwide push to increase access to clean drinking water.

USAID's Global Development Alliance contributed \$2 million to the new Community Water and Sanitation Facility, which will fund improvements in Illembe and elsewhere in the developing world.

Illembe is a very poor urban neighborhood—like many others where 90 percent of the world's population growth is expected to occur over the next 30 years.

Fast-growing cities and towns surpass the ability of national and local governments to provide adequate water and sanitation.

Already, roughly one-sixth of the world's population—1.1 billion people—live in poor urban areas without access to safe water. Even more people—2.4 billion urban residents—do not have adequate sanitation.

The Cities' Alliance—a donor coalition supported by USAID—is running the Community Water and Sanitation Facility. Several USAID missions are already brokering public-private partner-

ships to take advantage of the facility's new funds.

For example, USAID/India is working with Shelter Associates, a community-based organization representing poor neighborhoods in Sangli, to upgrade services, improve drainage, and to construct toilets for thousands of households. The facility will be asked to fund technical assistance and construction materials.

In another example, USAID/Panama is brokering an alliance in Panama City to bring sanitation financed by the facility to 12,500 people. A partnership involving the Ministry of Health, the Panama Canal Authority, and the local community will construct sewerage lines and a treatment plant. The project will help protect the Panama Canal watershed.

The facility will fund projects designed with participation from benefiting communities, local authorities, and businesses.

Grants of \$500,000 or less will cover up to one-third of the total cost of the construction or financing activity.

The facility will increase access to water and sanitation in impoverished communities, and thus contribute to fulfilling a key goal of the World Summit for Sustainable Development—improving water and sanitation for the world's poor. ★  
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[www.citiesalliance.org](http://www.citiesalliance.org)

## GLOBAL DEVELOPMENT ALLIANCE

## Peru Mining Company Funds Antipoverty Center

**HUANCAMELICA, Peru**—Peru's largest mining company will invest up to \$1.1 million to create jobs and opportunities for some of the country's poorest people through a support center founded by USAID in Huancavelica, Peru's poorest province.

Already, two dozen women have been contracted to produce 12,000 hand-knit sweaters after the Peruvian firm TQM saw the high quality of their products. The new support center brokered the \$30,000 deal.

Under the agreement, Buenaventura Mining—which has already invested \$430,000 in community development and assistance activities in the area—will provide up to \$1.1 million for the establishment and operation of the new center. USAID will contribute \$140,000, much of it in the form of technical assistance.

Since 1999, USAID/Peru has focused on poverty alleviation in the economic corridors of Peru's highlands and jungle areas. Projects at the 10 economic service centers founded earlier stimulate employment and trade. The centers provide market information and access to financial and transport services, facilitate commercial contacts between buyers and local producers, and identify companies willing to invest capital in local enterprises.

Buenaventura General Manager Roque Benavides, former president of the National Association of Peruvian Private Enterprises, helped USAID launch the economic support centers in 1999.

After Benavides left the business association, he proposed that Buenaventura "purchase an economic service center franchise" and create an 11th center in Huancavelica, a hub for the mining company and Peru's most underdeveloped province.

The center is operated by a consortium formed by Lima-based Universidad del Pacifico and the PIRKA Center for Technological Innovation. A local NGO, San Javier, with strong roots in the area will strengthen the center's outreach to the community.

Buenaventura and USAID expect that the new center will help diversify Huancavelica's economy and increase employment and incomes.

Juan Robles, an economic growth officer at USAID/Peru, helped develop the alliance. Robles said the alliance was a creative approach to local economic development needs in rural areas. "Buenaventura, one of Peru's most important national companies, has taken a market-oriented approach to reduce poverty," he said. ★

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A Peruvian enterprise, TQM, SA, recently ordered 12,000 sweaters for export after seeing the quality of sweaters knit by local women-owned businesses. The arrangement was brokered by a USAID-supported economic support center.